

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF EAST)	CASE NO. 96-522-A
KENTUCKY POWER COOPERATIVE, INC. FROM)	
NOVEMBER 1, 1996 TO APRIL 30, 1997)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on July 14, 1997 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of East Kentucky Power Cooperative, Inc. ("East Kentucky") for the 6 months ended April 30, 1997.

As part of this review, East Kentucky, pursuant to Commission Order, submitted certain information concerning its compliance with Commission Regulation 807 KAR 5:056. A public hearing was held on September 18, 1997.

The Commission has previously established East Kentucky's base fuel cost at 12.71 mills per Kwh.¹ A review of East Kentucky's monthly fuel clause filings shows that the actual fuel cost incurred for the 6-month period under review ranged from a low of 11.08 mills in April 1997 to a high of 12.21 mills in January 1997, with a 6-month average of 11.57 mills.

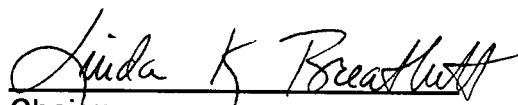
¹ Case No. 94-459, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1992 to October 31, 1994, Order dated April 5, 1995.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of East Kentucky's FAC charge or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by East Kentucky through its FAC for the period November 1, 1996 to April 30, 1997 are approved.

Done at Frankfort, Kentucky, this 29th day of October, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director